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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Ausnutria Dairy Corporation Ltd, you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**澳优·海普诺凯**  
**Ausnutria**  
**AUSNUTRIA DAIRY CORPORATION LTD**  
**澳優乳業股份有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 1717)**

**PROPOSED RENEWAL OF GENERAL MANDATE TO ISSUE SHARES**  
**AND**  
**PROPOSED RE-ELECTION OF DIRECTORS**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of Ausnutria Dairy Corporation Ltd (“AGM”) to be held at 10:00 a.m. on Tuesday, 28 January 2014, at 8/F, XinDaXin Building A, 168 Huangxing Middle Road, Changsha, Hunan Province, the PRC is set out on pages 11 to 13 of this circular. Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the commencement of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

24 December 2013

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## CONTENTS

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	<i>Page</i>
<b>DEFINITIONS</b> .....	1
 <b>LETTER FROM THE BOARD</b>	
Introduction .....	3
A. Renewal of General Mandate to issue Shares .....	4
B. Re-election of Directors .....	4
C. AGM .....	5
D. Procedures and results for poll voting .....	5
E. Recommendation .....	5
F. Miscellaneous .....	5
 <b>APPENDIX 1 – The Biographical Details of Directors Proposed To Be Re-Elected</b> .....	 6
 <b>APPENDIX 2 – Notice of Annual General Meeting</b> .....	 11

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“2011 Annual Report”	the annual report of the Company for the financial year ended 31 December 2011 dispatched to the Shareholders together with this circular
“AGM”	the annual general meeting of the Company to be held at 8/F, XinDaXin Building A, 168 Huangxing Middle Road, Changsha, Hunan Province, the PRC on Tuesday, 28 January 2014 at 10:00 a.m.
“Articles of Association”	the articles of association of the Company
“Ausnutria (Dutch)”	Ausnutria Dairy (Dutch) Coöperatief U.A., an indirect wholly-owned subsidiary of the Company incorporated under the laws of the Netherlands, which is interested in 51% equity interests in Ausnutria Hyproca as at the Latest Practicable Date
“Ausnutria Hyproca”	Ausnutria Hyproca B.V. (formerly known as Hyproca Dairy Group B.V.), a private company with limited liability incorporated under the laws of the Netherlands and is owned as to 51% by Ausnutria (Dutch) and 49% by DDI as at the Latest Practicable Date
“Board”	the board of Directors of the Company
“Call Option”	the call option granted by DDI to Ausnutria (Dutch) pursuant to the Call Option Agreement
“Call Option Agreement”	the call option agreement dated 7 June 2013 entered into, among others, Ausnutria (Dutch) and DDI in relation to the granting of the Call Option by DDI to Ausnutria (Dutch)
“Companies Law”	the Company Law, Chapter 22 (law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Ausnutria Dairy Corporation Ltd (澳優乳業股份有限公司), a limited liability company incorporated and existing under the laws of the Cayman Islands on 8 June 2009 and the shares of which are listed on the Stock Exchange
“DDI”	Dutch Dairy Investments B.V., a private company with limited liability incorporated under the laws of the Netherlands, which is interested in 49% equity interests in Ausnutria Hyproca as at the Latest Practicable Date
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

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## DEFINITIONS

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“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	subject to the conditions set out in the proposed resolution approving the Issue Mandate at the AGM, the general and unconditional mandate granted to the Board to exercise the power to allot, issue and deal with Shares up to a maximum of 20% of the aggregate nominal value of the issued share capital of the Company as at the date of the said resolution
“Latest Practicable Date”	20 December 2013, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the capital of the Company
“Share Option Scheme”	the share option scheme conditionally adopted by the Company pursuant to a resolution of the Board on 19 September 2009
“Shareholder(s)”	registered shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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LETTER FROM THE BOARD

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**AUSNUTRIA DAIRY CORPORATION LTD**

**澳優乳業股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1717)**

*Executive Directors:*

Mr. Yan Weibin (*Chairman*)  
Mr. Bartle van der Meer (*Chief Executive Officer*)  
Ms. Ng Siu Hung

*Non-executive Director:*

Mr. Dai Li

*Independent Non-executive Directors:*

Mr. Qiu Weifa  
Mr. Jason Wan  
Mr. Chan Yuk Tong

*Registered Office:*

Cricket Square  
Hutchins Drive  
P. O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Principal Place of Business*

*in Hong Kong:*  
Room 2101, Beautiful Group Tower  
77 Connaught Road Central  
Central  
Hong Kong

24 December 2013

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED RENEWAL OF GENERAL MANDATE TO ISSUE SHARES  
AND  
PROPOSED RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to (i) provide you with information regarding the Issue Mandate; (ii) provide you with information regarding the re-election of the retiring and newly appointed Directors; and (iii) give you notice of the AGM.

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## LETTER FROM THE BOARD

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### **A. RENEWAL OF GENERAL MANDATE TO ISSUE SHARES**

This circular gives details regarding the renewal of general mandate to issue Shares in compliance with the Listing Rules.

On 16 May 2011, a general mandate was granted to the Directors to exercise the powers of the Company to issue Shares, and thereafter, such mandate has not been exercised or renewed. In accordance with conditions of the general mandate granted, such mandate will lapse at the conclusion of the forthcoming AGM.

At the AGM, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, renew the grant of the Issue Mandate to the Directors to allot, issue and deal with Shares up to 20% of the aggregate nominal value of the issued share capital of the Company on the date of passing this ordinary resolution (i.e. not exceeding 197,368,600 Shares based on the issued share capital of the Company of 986,843,000 Shares as at the Latest Practicable Date and assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the resolution approving the Issue Mandate).

Details of the Issue Mandate are set out in resolution 6 in the notice of the AGM set out on pages 11 to 13 of this circular. The Issue Mandate will remain in effect until whichever is the earliest of (a) the conclusion of the next annual general meeting of the Company unless the mandate is renewed either unconditional or subject to conditions by ordinary resolution passed at that meeting; or (b) the passing of an ordinary resolution by the Shareholders in a general meeting revoking or varying such mandate.

Save for the Call Option Agreement, the Directors wish to state that they have no immediate plans to allot and issue any new Shares other than such Shares which may fall to be allotted and issued upon the exercise of any options granted under the Share Option Scheme.

### **B. RE-ELECTION OF DIRECTORS**

In accordance with article 83(3) of the Articles of Association, Mr. Bartle van der Meer and Mr. Dai Li who were appointed as Directors to fill casual vacancy of the Board shall hold office until the forthcoming AGM and being eligible, offer themselves for re-election.

Further, in accordance with article 84 of the Articles of Association, Mr. Yan Weibin, Ms. Ng Siu Hung and Mr. Chan Yuk Tong will retire by rotation at the conclusion of the forthcoming AGM and being eligible, offer themselves for re-election.

The biographical details of the aforesaid Directors proposed to be re-elected are set out in Appendix 1 to this circular. An ordinary resolution approving their re-elections will be proposed at the forthcoming AGM.

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## LETTER FROM THE BOARD

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### C. AGM

A notice convening the AGM is set out on pages 11 to 13 of this circular.

The 2011 Annual Report incorporating the audited consolidated statements of the Group for the year ended 31 December 2011 together with the comparative figures (as restated) for the corresponding years in 2010 and 2009 and the reports of the Directors and the auditors thereon are dispatched to the Shareholders together with this circular.

A proxy form for use at the AGM is enclosed, a copy of which can also be obtained via the website of the Company at [www.ausnutria.com.hk](http://www.ausnutria.com.hk) or the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk). Whether or not you are able to attend the AGM, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the commencement of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending in person and voting at the AGM or any adjourned meeting if you so wish.

### D. PROCEDURES AND RESULTS FOR POLL VOTING

Pursuant to Rule 13.39(4) of the Listing Rules and article 66 of the Company's Articles of Association, at any general meeting, a resolution put to the vote of a meeting shall be taken by poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every Share held which is fully paid or credited as fully paid.

The results of the poll on all the resolutions as set out in the notice of the AGM in both English and Chinese will be published on the website of the Company at [www.ausnutria.com.hk](http://www.ausnutria.com.hk) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) after 4:00 p.m. on the AGM date.

### E. RECOMMENDATION

The Directors believe that the resolutions of renewal of the Issue Mandate and the re-election of Directors to be proposed at the AGM are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends you to vote in favour of the resolutions to be proposed at the AGM.

### F. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully  
By Order of the Board  
**Ausnutria Dairy Corporation Ltd**  
**Yan Weibin**  
*Chairman*

At the AGM, an ordinary resolution to re-elect the following persons as Directors will be proposed. In compliance with Rule 13.51(2) of the Listing Rules, details of the relevant persons are as follows:

**Mr. Bartle van der Meer** (“**Mr. van der Meer**”), aged 67, was appointed as the executive Director and Chief Executive Officer on 7 June 2013. Mr. van der Meer is one of the founders of Ausnutria Hyproca. He indirectly held 49% equity interests in Ausnutria Hyproca through the shareholding in DDI and has been involved in the strategic management since the establishment of Ausnutria Hyproca in 1994. He has also been a member of the board of directors and chief executive officer of Ausnutria Hyproca since 2012. Mr. van der Meer is primarily responsible for the overall corporate strategy, planning and business development of the Group. He graduated with a business administration degree in the Netherlands with a major in banking in 1966. He worked for Rabobank, a multinational banking and financial services group in the Netherlands for more than 25 years. He is serving as the executive director of PMH Investments B.V., a private equity which owned 46.55% equity interests in DDI, and Vegelin Group B.V. since 1994. Mr. van der Meer has been the chairman of supervisory board of sc Heerenveen NV (a soccer club which plays in the premier division in the Netherlands) since 1998 to 2012, and a member of Foundation Accell Group (a company listed on Euronext Amsterdam (formerly known as Amsterdam Stock Exchange) since 1998.

Save as disclosed above, Mr. van der Meer did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Mr. van der Meer does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company. At the Latest Practicable Date, Mr. van der Meer is interested in 213,125,000 Shares (within the meaning of Part XV of SFO) through controlled corporation (representing 21.60% of the issued share capital of the Company). Of these shares, 11,000,000 Shares were beneficially held by DDI and 202,125,000 Shares are to be issued by the Company to DDI as the consideration shares upon the exercise of the call option pursuant to the Call Option Agreement dated 7 June 2013. Save as disclosed above, Mr. van der Meer had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

There is a service contract between the Company and Mr. van der Meer for a term of three years with effect from 7 June 2013 (Year 2011: N/A). Mr. van der Meer is entitled to an annual director’s fee of HK\$180,000 (Year 2011: N/A) and emoluments of HK\$340,000 (Year 2011: N/A) for the post of Chief Executive Officer of the Company. Mr. van der Meer’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

**Mr. Dai Li (“Mr. Dai”)**, aged 32, was appointed as the non-executive Director on 7 June 2013. Mr. Dai graduated from Beijing Institute of Technology with a bachelor degree in science in 2004. He obtained a master degree in international economics, banking and finance at Cardiff University in 2006. He was also awarded a Doctor of Philosophy Degree (“PhD”) in economics in 2012. Mr. Dai worked in Ausnutria China as a researcher in 2011. His main duty is collecting and analysing information and data in relation to dairy industry. He worked as an assistant in Northland Bank Cooperation, London from March 2012 to October 2012. He then worked as a project manager and a senior researcher in a number of state-owned enterprises.

Mr. Dai did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Mr. Dai does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

There is a service contract between the Company and Mr. Dai for a term of three years with effect from 7 June 2013 (Year 2011: N/A). Mr. Dai is entitled to an annual director’s fee of HK\$180,000 (Year 2011: N/A). Mr. Dai’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

**Mr. Yan Weibin (“Mr. Yan”)**, aged 47, was appointed as the executive Director on 8 June 2009 and was elected Chairman of the Board on 7 June 2013. Mr. Yan is a shareholder and director of Brave Leader Limited (“Brave Leader”), Silver Castle International Limited (“Silver Castle”) and Ausnutria Holding Co Ltd (“Ausnutria BVI”), the substantial shareholders of the Company. He is also a director of a number of the Company’s subsidiaries, including Ausnutria Dairy (China) Co., Ltd\* (“Ausnutria China”) and Ausnutria Hyproca B.V. (“Ausnutria Hyproca”). He joined the Group since the establishment of Ausnutria China in September 2003. Mr. Yan is primarily responsible for the overall corporate strategy, planning and business development of the Group. Mr. Yan graduated from Hunan University with a degree in Bachelor of Engineering and MBA. He was a director and the vice president of Hunan Ava Seed Co., Ltd\* (湖南亞華種業股份有限公司) (“Hunan Ava Seed”), a company whose shares are listed on the Shenzhen Stock Exchange, and the chief executive officer and director of Changsha Xin Da Xin Vilmorin Agri-Business Co., Ltd\* (長沙新大新威邁農業有限公司) (formerly, Changsha Xin Da Xin Group Company\* (長沙新大新集團有限公司)) (“Changsha Xin Da Xin Group”), an associate of the Company. Mr. Yan has been a director of Yuan Longping High-tech Agriculture Co., Ltd\* (袁隆平農業高科技股份有限公司) (“Longping High-tech”), a company whose shares are listed on the Shenzhen Stock Exchange, from 2004. He was Longping High-tech’s chief executive officer from 2004 to April 2010, the vice chairman and the chief financial officer from April 2010 to December 2011, the chief executive officer and chief financial officer from December 2011 to June 2012 and has become the vice chairman since June 2012.

Save as disclosed above, Mr. Yan did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Save as disclosed above, Mr. Yan does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

There is a service contract between the Company and Mr. Yan for a term of three years with effect from 8 October 2012 (which was renewed subsequent to the expiry of the three-year contract dated 8 October 2009). Mr. Yan is entitled to an annual director's fee of HK\$180,000 (Year 2011: HK\$100,000) and emoluments of RMB390,000 (Year 2011: Nil) for the post of Chairman of the Company. Mr. Yan's remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

**Ms. Ng Siu Hung ("Ms. Ng")**, aged 44, was appointed as the executive Director on 19 September 2009. Ms. Ng is primarily responsible for the Group's investor relations. She studied Applied English Language at Changsha University and graduated at The University of Westminster, the United Kingdom with a Master of Arts degree in Human Resource Management. She was the representative of a computer network company and then, a manager of a trading company for about 2 years. Ms. Ng has been a director of Hunan Yukai Real Estate Development Co., Ltd\* (湖南宇凱房地產有限公司) since 2004. She is the officer of Public Relations of Hunan XinDaXin Co., Ltd\* (湖南新大新股份有限公司). Ms. Ng had been a joint company secretary of the Company from September 2009 to 3 December 2012.

Save as disclosed above, Ms. Ng did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Save as disclosed above, Ms. Ng does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and she had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

There is a service contract between the Company and Ms. Ng for a term of three years with effect from 8 October 2012 (which was renewed subsequent to the expiry of the three-year contract dated 8 October 2009). Ms. Ng is entitled to an annual director's fee of HK\$180,000 (Year 2011: HK\$100,000) and emolument of HK\$455,000 (Year 2011: HK\$312,000). Ms. Ng's remuneration is determined with reference to her qualifications, experience, duties and responsibilities with the Company as well as market rate.

**Mr. Chan Yuk Tong (“Mr. Chan”)**, aged 51, was appointed as the independent non-executive Director on 19 September 2009. Mr. Chan graduated from the University of Newcastle in Australia with a bachelor’s degree in Commerce, and obtained a master’s degree in business administration from The Chinese University of Hong Kong. Mr. Chan is a practising fellow member of the Hong Kong Institute of Certified Public Accountants and a member of CPA Australia. Mr. Chan was an audit principal at Ernst & Young and a finance director and sales director at G2000 (Apparel) Limited. Mr. Chan has over 25 years of experience in auditing, accounting, managerial and financial consultation experience. His directorships of publicly listed companies are as follows:

Listed Company	Role	Period
<i>Present engagements:</i>		
Kam Hing International Holding Limited	Independent non-executive Director (“INED”)	March 2004 to present
Sinopoly Battery Limited (formerly known as Thunder Sky Battery Limited)	INED	November 2006 to present
Global Sweeteners Holdings Limited	INED	June 2008 to present
China Motion Telecom International Limited	INED	November 2013 to present
<i>Past engagements:</i>		
Asia Cassava Resources Holdings Limited	Executive director	July 2008 to August 2010
Vitop Bioenergy Holdings Limited	Executive director	September 2005 to February 2008
	Non-executive director	February 2008 to May 2011
Xinhua Winshare Publishing And Media Co., Ltd. (formerly known as Sichuan Xinhua Winshare Chainstore Co., Ltd)	INED	April 2006 to July 2013
Daisho Microline Holdings Limited	INED	September 2004 to August 2013
BYD Electronic (International) Company Limited	INED	November 2007 to July 2013
Anhui Conch Cement Company Limited	INED	June 2006 to May 2012
Trauson Holdings Company Limited	INED	June 2010 to July 2013 (date of withdrawal of listing)
Great Wall Motor Company Limited	INED	May 2010 to November 2010

Mr. Chan was appointed as a member of the special review committee of the Company to look into the unresolved issues raised by the auditor of the Company, Ernst & Young (“EY”), in the EY Letter on 29 March 2012.

Save as disclosed above, Mr. Chan did not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or any other position with the Company and other members of the Group or other major appointments and professional qualifications.

Save as disclosed above, Mr. Chan does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company and he had no interests in the Shares which are required to be disclosed pursuant to Part XV of the SFO.

There is a service contract between the Company and Mr. Chan for a term of two years with effect from 1 October 2013 (which was renewed subsequent to the expiry of the two-year contract dated 1 October 2011). Mr. Chan is entitled to an annual director’s fee of HK\$360,000 (Year 2011: HK\$160,000). Mr. Chan’s remuneration is determined with reference to his qualifications, experience, duties and responsibilities with the Company as well as market rate.

\* *For identification purposes only*

**AUSNUTRIA DAIRY CORPORATION LTD****澳優乳業股份有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock code: 1717)****NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of Ausnutria Dairy Corporation Ltd (the “Company”) will be held at 8/F, XinDaXin Building A, 168 Huangxing Middle Road, Changsha, Hunan Province, the PRC on Tuesday, 28 January 2014 at 10:00 a.m. for the following purposes:–

1. To receive and consider the audited consolidated financial statements and the Reports of the directors of the Company (the “Directors”) and of the Auditors for the year ended 31 December 2011;
2. To re-elect directors;
3. To authorise the board of directors (“Board”) to fix the Directors’ remuneration and emolument;
4. To approve, confirm and rectify the remuneration for Mr. Bartle van der Meer, Mr. Dai Li and Mr. Chan Yuk Tong;
5. To re-appoint Ernst & Young as auditors and to authorise the Board to fix their remuneration;
6. **“THAT:**
  - (a) subject to paragraph (c), a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to allot, issue and dispose of shares (the “Shares”) of HK\$0.10 each in the share capital of the Company and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;
  - (b) the mandate in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal value of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iii) any scrip dividend or similar arrangement pursuant to the articles of association of the Company from time to time, or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed twenty per cent (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of this Resolution and the said mandate shall be limited accordingly; and

(d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company unless the mandate is renewed either unconditional or subject to conditions by ordinary resolution passed at that meeting;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in a general meeting revoking or varying such mandate.

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any jurisdiction outside Hong Kong any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

Yours faithfully  
By Order of the Board  
**Ausnutria Dairy Corporation Ltd**  
**Yan Weibin**  
*Chairman*

Changsha City, China, 24 December 2013

*Notes:*

1. Any member entitled to attend and vote at the AGM is entitled to appoint one or more person(s) as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power of attorney, must be deposited not less than 48 hours before the time appointed for the holding of the AGM at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
3. The register of members of the Company in Hong Kong will be closed from 24 January 2014 to 28 January 2014 (both dates inclusive) during which period no transfer of shares will be registered. To be qualified to attend the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 23 January 2014.
4. Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the AGM if the member so desires, and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Information containing further details regarding the proposed Resolution 2 set out in the above notice as required by the Listing Rules are set out in Appendix 1 to this circular respectively.